

1 S.16

2 Introduced by Senator Ayer

3 Referred to Committee on

4 Date:

5 Subject: Energy; municipal government; finances; transmission facilities;
6 siting charge

7 Statement of purpose of bill as introduced: This bill proposes to require
8 owners of energy transmission facilities to pay a siting charge to towns where
9 those facilities are located.

10 An act relating to siting charges for energy transmission facilities

11 It is hereby enacted by the General Assembly of the State of Vermont:

12 Sec. 1. 24 V.S.A. chapter 51, subchapter 6 is added to read:

13 Subchapter 6. Siting Charges for Energy Transmission Facilities

14 § 1701. PURPOSE

15 This subchapter imposes a siting charge on the owner of an energy
16 transmission facility for the privilege of locating the facility in a given town.

17 § 1702. DEFINITIONS

18 As used in this subchapter:

1 (1) “Energy transmission facility” means an electric transmission or
2 natural gas facility subject to 30 V.S.A. § 248 or an oil or petroleum
3 transmission pipeline, and associated facilities.

4 (2) “Siting charge” means the siting charge established under this
5 subchapter.

6 § 1703. SITING CHARGE; ESTABLISHED

7 (a) The owner of an energy transmission facility shall pay an annual siting
8 charge to the town where the energy transmission facility is located. The town
9 shall set the annual date of payment by majority vote of the legislative body.

10 (b) This siting charge shall apply to energy transmission facilities coming
11 into service after January 1, 2015.

12 § 1704. RATE OF CHARGE

13 (a) The siting charge shall be calculated based on the construction cost of
14 the energy transmission facility located within the town.

15 (1) For energy transmission facilities located within a single town, the
16 rate of charge shall be one percent of total construction costs.

17 (2) For energy transmission facilities that are part of a larger project that
18 spans multiple towns, the rate of charge shall be one percent of the project’s
19 total construction costs multiplied by the portion of the project located within
20 the town. A town shall determine this portion based on square footage of built

1 improvements, except that, for an aboveground or underground line, the square
2 footage shall be of the cleared right-of-way for the line.

3 (b) For the purposes of calculating construction costs, the scope of the
4 project shall be the project as approved under 30 V.S.A. § 248 or 10 V.S.A.
5 chapter 151.

6 § 1705. CERTIFICATION; CONSTRUCTION COSTS

7 (a) Filing. The owner of an energy transmission facility subject to a siting
8 charge shall file with the town a certification of actual construction costs
9 within 90 days of the facility's coming into service.

10 (b) Disclosure. A town may require the owner to disclose information
11 underlying the certification of these construction costs and other information
12 relevant to determining actual construction costs.

13 (c) Town's assessment of costs. A town may use information acquired
14 under this section and other relevant information to determine actual
15 construction costs. When a town exercises this authority, the town's lister or
16 an assessor appointed under 17 V.S.A. § 2651c shall determine construction
17 costs. The owner of the energy transmission facility subject to this assessment
18 may bring any grievances regarding the town's assessment to hearings held by
19 the lister or assessor in accordance with 32 V.S.A. § 4221. The owner may
20 appeal final decisions of the lister or assessor to the Board of Civil Authority in
21 accordance with the process set forth in 32 V.S.A. § 4404. The owner or

1 legislative body of the town may appeal the decision of the Board of Civil
2 Authority in accordance with the process under 32 V.S.A. chapter 131,
3 subchapter 2.

4 (d) Enforcement. A town may seek a civil penalty and injunctive relief for
5 the failure to certify construction costs or disclose requested construction cost
6 information in the same manner and to the same extent as penalties imposed
7 for violations of civil ordinances under section 1974a of this title. All
8 procedures and remedies for the enforcement of civil ordinances under that
9 section shall apply to the certification of construction costs and failure to
10 disclose information regarding construction costs.

11 § 1706. PROCEEDS; DEPOSIT; USES

12 (a) Separate fund. A town receiving funds from a siting charge shall place
13 the funds into a separate account, with balances in the account carried forward
14 from year to year and remaining within the account. Interest earned by the
15 account shall be deposited into the account.

16 (b) Accounting and auditing. The town shall provide to the voters an
17 annual accounting of each siting charge levied under this subchapter, showing
18 the source, the amount received from each siting charge, and each project that
19 was funded or will be funded with revenues from the siting charge.

20 (c) Uses. The town may use proceeds from a siting charge for energy
21 efficiency projects such as home weatherization, other energy-related projects,

1 or other purposes the town deems appropriate. All uses of the proceeds shall
2 be for the benefit of the town and its residents.

3 § 1707. ALTERNATIVE COMPLIANCE PROJECTS

4 By a majority vote of the town's legislative body, a town may agree to
5 accept delivery of alternative compliance projects by the owner of an
6 energy transmission facility in lieu of payment of the siting charge, so long as
7 the alternative compliance projects provide energy efficiency or other
8 energy-related services to the town.

9 § 1708. ENFORCEMENT

10 Siting charges under this subchapter shall constitute a lien on the property
11 against which the siting charge is made in the same manner and to the same
12 extent as taxes assessed on the grand list of a municipality, and all procedures
13 and remedies for the collection of taxes shall apply to these siting charges.

14 Sec. 2. EFFECTIVE DATE

15 This act shall take effect on July 1, 2015.